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March 7, 1995

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Mr. William F. Caton Acting Secretary Federal Communications Commission Room 222 1919 M Street, N.W. Washington, D.C. 20554

> Ex Parte Presentation in MM Docket No. 92-266

Dear Mr. Caton:

Pursuant to the Commission's ex parte rule, 47 C.F.R. § 1.1206, an original and one copy of this letter are being filed in MM Docket No. 92-266 as notification that representatives of the National Association of Telecommunications Officers and Advisors ("NATOA") held a conference call on Monday, March 6, 1995, with Margo Delmon, Cindy Jackson, and Tom Power, all of the Policy and Rules Division of the Cable Services Bureau.

On behalf of NATOA, the following representatives participated in the meeting: Ms. Susan Littlefield, President of NATOA and Cable Regulatory Administrator for the City of St. Louis, Missouri; David Hankin, Chairman of the NATOA-FCC Liaison Committee and Assistant General Manager of the Los Angeles Department of Telecommunications; John Pestle and Pat Miles, who are attorneys representing a number of local governments in rate regulation proceedings; and myself, a partner in the law firm of Arnold & Porter and NATOA's special outside counsel on federal telecommunications matters.

NATOA spoke to the Commission regarding whether rates for commercial establishments should be subject to rate regulation. NATOA urged the Commission to continue to subject such establishments to rate regulation.

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also argued that the rates for other non-residential subscribers, including, for instance, college dormitories and colleges fraternity houses, should continue to be regulated. NATOA recognized that in certain instances cable operators may experience increased costs in providing cable service to commercial establishments, but stated that the Commission might modify its rate rules to take into account such costs instead of exempting commercial establishments from rate regulation. example, NATOA suggested that the Commission might permit cable operators to charge more for programming service tiers if the cost of providing such tiers to commercial establishments is higher due to the fact programmers on such tiers charge the operators more to provide programming to commercial establishments. Moreover, NATOA stated that installation charges should not be higher per se for commercial establishments, although NATOA recognized that in the case of certain "customized" installations at commercial establishments, the Commission might permit the operator to impose a different charge. For instance, rather than charging the average residential installation rate, the Commission might permit an operator to charge the regulated hourly service charge times the amount of time it takes to do the installation. To the extent the Commission decides to exclude the rates charged to a class of commercial establishments from rate regulation, NATOA urged the Commission to narrowly define such class. For instance, NATOA noted that such class might include only those establishments that advertise the availability of cable programming as entertainment in order to attract customers (e.g., hotels, bars or similar establishments).

NATOA also expressed concerns about those cable operators that currently do not comply with the FCC rate rules in terms of the rates charged commercial establishments, and asked the Commission to consider ways to enforce the rules against such operators. NATOA also urged the Commission to consider preempting contracts cable operators may have entered into after September 1, 1993, wherein the operators obligated commercial establishments to pay cable rates higher than those permissible under the FCC rate rules.

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Please contact me if you have any questions regarding this matter.

Respectfully submitted,

cc: Margo Delmon

Cindy Jackson Tom Power